

Excerpts from Task Force Report

on

Intelligence Activities

May 1955

Prepared by the Commission on Organization of the  
Executive Branch of the Government



**TOP SECRET**

(Page vi)

In carrying out this mission, the task force was severely hampered by the security restrictions imposed upon it in its survey of the clandestine operations of the Central Intelligence Agency. While the necessity for carefully safeguarding sensitive material is well recognized, the fact remains that the restrictions complicated the conduct of the survey of this vital segment of our national intelligence community.

**TOP SECRET**

103708



~~TOP SECRET~~

(Page xi)

Accordingly, a proposal to delimit the scope of the task-force studies was made to and approved by the Commission, as follows:

1. Survey the work of the Central Intelligence Agency.

Cover all activities of CIA, wherever located, including but not limited to collection, evaluation, and dissemination of intelligence, obligation and expenditure of funds, examination of auditing of funds, security, personnel, projects carried out through other agencies, relationship and coordination with other governmental intelligence agencies, communications, supply and storage; a determination of the responsibilities of the agency, as prescribed by legislative enactment or administrative action, and a study as to whether the responsibilities have been adequately defined and are being implemented.

~~TOP SECRET~~

103736



**TOP SECRET**

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1

(Page xiii)

4. Survey the intelligence activities of the National Security Council. Include a study of the history, legislation, development, organization, and operations of the National Security Council as they affect intelligence activities. Include study of the Operations Coordinating Board, the Intelligence Advisory Committee, and related activities.

101706

**TOP SECRET**

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1



(Page xv)

In giving its approval of the foregoing proposal, the Commission directed that a first paragraph be added, as follows:

"1. The study and survey of the sensitive portions of the agencies will be undertaken by General Clark with a minimum staff on a 'need-to-know' basis."

Pursuant to the foregoing directive, arrangements were made orally between Mr. Allen Dulles, Director of the Central Intelligence Agency, and General Mark W. Clark, chairman of the Task Force on Intelligence Activities, initially for General Clark and Colonel Herman O. Lane, a member of the task-force staff, to have access to CIA activities, both overt and covert. Shortly after this arrangement was implemented, it developed that a requirement existed for at least one additional member of the task force to have access to covert activities of the agency. Accordingly, Admiral Richard L. Conolly's name was added to the list.



(Page xvi)

This arrangement continued until a decision was made that certain members of the task force and staff should inspect intelligence activities in the European and Far East areas. Since General Clark was unable to take part in one of these inspection trips, the problem confronting the task force, as a result of the existing restrictions on the clearance of the task force to sensitive material of the agency, was presented to the Director of Central Intelligence. The following quoted letter was received from the director:

CENTRAL INTELLIGENCE AGENCY

Washington 25, D. C.

Office of the Director

27 January 1955

General J. G. Christiansen  
Staff Director  
Task Force on Intelligence Activities  
Commission on Organization of the  
Executive Branch of the Government  
Washington, D.C.

Dear General Christiansen:

With further reference to your letter of 20 January 1955, and our telephone conversations of yesterday evening and today, I have arranged clearance for Mr. Henry Kearns and for you to have access to CIA activities, both overt and covert, in connection with your trip to the Pacific area. It is also understood that all members of the Task Force and you, yourself, will be cleared to consider the report with respect to both overt and covert activities of the CIA which may be submitted by those members of your staff who have been cleared for on-the-spot investigation of those activities. I quite appreciate that this is necessary in connection with the preparation of the Task Force report.

This procedure has been cleared with Governor Adams.

Faithfully yours,  
Signed

Allen H. Dulles  
Director



**TOP SECRET**

(Page xviii)

The restrictions imposed on the staff in its survey of the Central Intelligence Agency necessitated that the work be broken down into two classifications, with one group studying the covert aspects of CIA, and the other surveying the overt operations of the Agency. These two teams carefully coordinated and correlated their studies, except where information on the more sensitive areas of the Agency's work was restricted to designated individuals. This arrangement proved very cumbersome, was time-consuming, and seriously interfered with the conduct of the survey.

**TOP SECRET**

1003748



**TOP SECRET**

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1

(Pages xxii thru xxxi)

Observations, Recommendations, and Results of the Task Force on  
Intelligence Activities within the National Defense Organization

The task force of the First Hoover Commission confined its observations and recommendations to the Central Intelligence Agency, its internal problems, and its relationships with the Joint Chiefs of Staff, the State Department, the National Security Council, and the intelligence agencies of the three military services.

The present task force has been unable to determine the degree to which these observations and recommendations were published and disseminated, except as they are reflected in the recommendation of the Commission discussed previously. However, as they influenced to some degree the direction of the efforts of this task force, a brief discussion of the observations of this task force in the same areas is believed to be pertinent.

Observations of the Task Force of First Hoover Commission and  
Comments of this Task Force Thereon

1. "Judgment as to the effectiveness of the CIA must be tempered by considerations of its apparent youth, its lack of tradition and established, time-tried procedures, and of continuity of personnel." The soundness of that observation is self-evident and is supported by the observations of this task force as set forth in its report.

2. "There seems to be an excess of administrative personnel, and there is undue interference with operating agencies. Reduction of administrative overhead is possible and desirable, and interference with operating agencies should be eliminated." There still exists some excess of administrative personnel because of considerations relating to compartmentalization for security reasons, and because of the fact

**TOP SECRET**

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1



~~SECRET~~

that the agency is now scattered among thirty-four buildings. This administrative overhead is a matter of constant concern and study to the agency. Plans for new construction have been initiated and funds will be requested.

3. "The CIA is scatter<sup>ed</sup> among twenty-two buildings, causing many administrative difficulties, although some scattering may be desirable for security reasons." The number of buildings now occupied by the agency has been increased to thirty-four, thus magnifying the administrative difficulties.

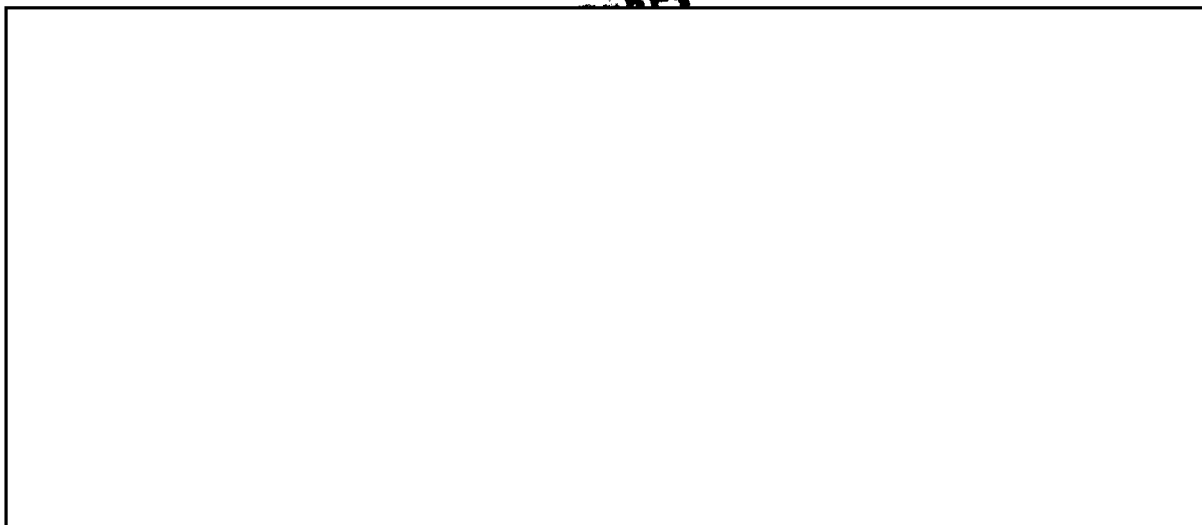
4. "The CIA has fallen short of its objectives as a source of national intelligence, especially in the fields of scientific intelligence, including medical. This information should be evaluated centrally." This observation will be commented upon in the discussion following recommendation 3 below.

5. "The CIA's main problem is one of securing and retaining qualified personnel. This is also true of other intelligence agencies." The securing and retaining of qualified personnel has been largely solved by the agency as it has had sufficient funds to attract the best qualified people, sometimes, unfortunately, at the expense of the intelligence agencies of the three services. This situation will be discussed more fully in the section covering the Central Intelligence Agency and the military services.

6. "The services must rid their intelligence estimates of service bias." Attempts on the part of service intelligence agencies to present honest intelligence estimates peculiar to that agency are sometimes "slanted" by the command echelons of the services in support of budgetary requests. This tendency should not be charged to intelligence as far as this task force has been able to observe.

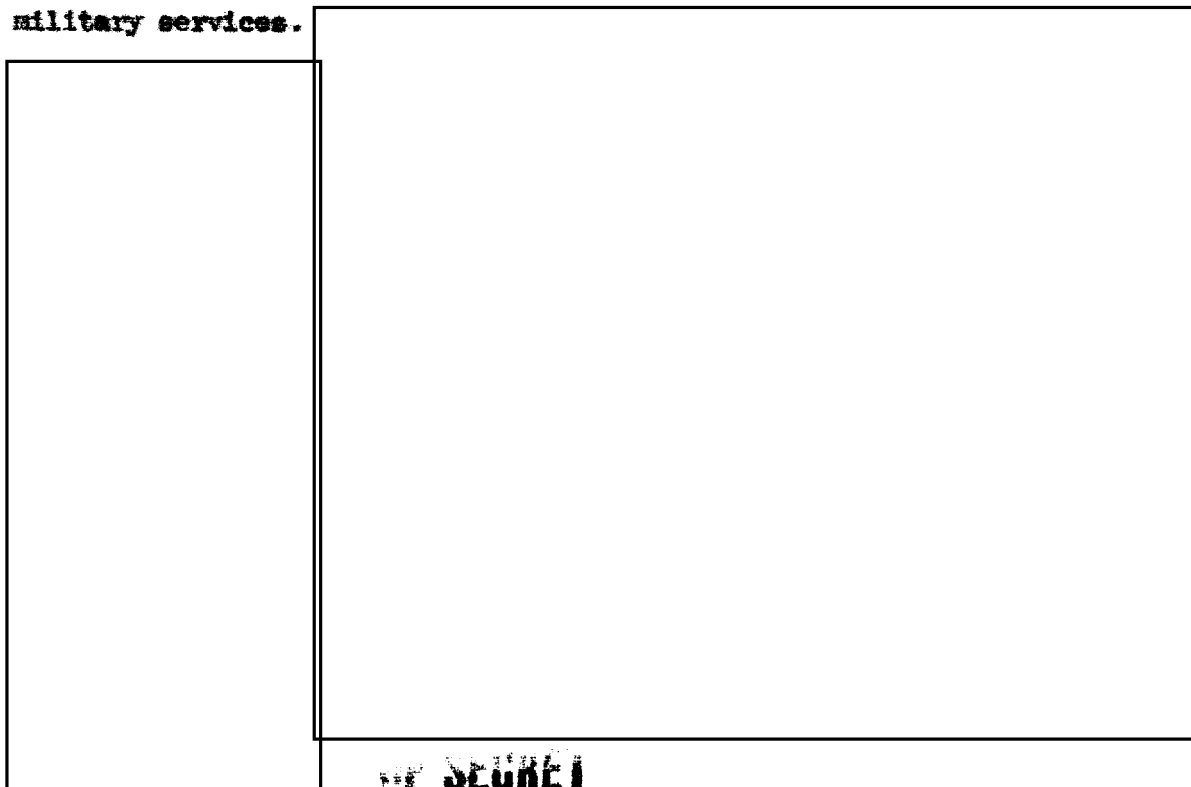


25X1



8. "Thought should be given to desirability of splitting CIA in time of war, and transferring operational services, such as open and covert collection, to the Department of Defense. Changes should be made in peacetime organization to facilitate this split." Much thought has been given by the officials of the CIA and the military services concerning the proper relationships in time of war between the CIA and the military services.

25X1



SECRET



**SECRET**

9. "The military services, including Joint Chiefs of Staff, tend to withhold details of operational information and military plans on the grounds of security." This situation has not been solved to the complete satisfaction of all interested parties.

10. "The ties binding the JCS, among others, to the CIA are too tenuous." This observation resulted in recommendation 3 of the task force and will be commented on in the discussion following that recommendation.

11. "Any proposals for the revision of laws so as to permit conviction, regardless of intent, in cases of dangerous disclosures by indiscreet and irresponsible persons, should be examined most carefully by Congress in the light of our concepts of freedom." As far as this task force has been able to determine, no statutory authority exists or is contemplated which covers the situation of former employees who may, negligently or otherwise, without intent, make unauthorized disclosures.

12. "The National Security Organization, as established by the National Security Act of 1947, is soundly conceived. In order to improve operations, the NSC should give more thought and attention to the relationships of CIA with other agencies, and by working through the Secretaries of State and Defense, should encourage the improvement of other intelligence agencies." This observation is incorporated in recommendation 1 of the task force below.

13. "Such of the reforms as suggested by this committee, as well as those of the Dulles Committee, should be made promptly, but when action

103738



has been taken, the agencies affected should be permitted a period of internal development free from examination and its attendant publicity. Any comment on this sound observation would be redundant.

Recommendations of the Task Force of the First Hoover Commission

1. "That more adequate and effective relations be established at the working levels between appropriate committees of the JCS and the Joint Staff and their counterparts in (1) the National Security Council, (2) the Central Intelligence Agency, (3) the Research and Development Board, (4) the Munitions Board, and (5) the National Security Resources Board, to the end that in their strategic planning the JCS will weigh adequately and on a systematic, reciprocal basis, considerations of foreign policy, intelligence, scientific research and development, and economic capabilities." This recommendation is substantially the same as the recommendation of the commission, and the results will be discussed in the sections of this report devoted to the Joint Chiefs of Staff.

2. "That the Secretary of Defense be the sole representative of the national military establishment on the National Security Council. The Committee suggests, however, in order that the JCS may be fully and currently posted on our national policy, that they be invited, as a general rule, to attend meetings of the NSC, but without membership thereon. The civilian departmental secretaries, although not members, should also be invited to attend council meetings in appropriate circumstances." The National Security Act of 1947, as amended, now provides that the Secretary of Defense is the sole National Defense Establishment member. However, secretaries and under secretaries of the military



departments may serve as members at the pleasure of the President. The law also provides that the Joint Chiefs of Staff will be the principal military advisers to the President, the National Security Council, and the Secretary of Defense. It has been observed by this task force that the Chairman of the Joint Chiefs of Staff habitually attends the meetings of the National Security Council and the other members attend for those items in which the Joint Chiefs are concerned. When departmental matters are before the Council which are of concern to the Secretaries of the Army, Navy, or Air Force, the secretary concerned will be invited and may bring his military chief as an adviser, in which case that military chief will not be attending in his role as a member of the JCS.

3. "That vigorous efforts be made to improve the internal structure of the CIA and the quality of its product, especially in the fields of scientific and medical intelligence; that there be established within the agency at the top echelon an evaluation board or section composed of competent and experienced personnel who would have no administrative responsibility and whose duties would be confined solely to intelligence evaluation; and that positive efforts be made to foster relations of mutual confidence between the CIA and the several departments and agencies it serves." This task force has observed that positive efforts have been made to improve the quality of scientific and medical intelligence. The Office of Scientific Intelligence is adequately staffed to include medical personnel. In the quality of its products, this agency is definitely handicapped by the inability of the intelligence community as a whole to collect information from the Soviet bloc. The Office of National Estimates is a top-echelon evaluation board, composed of competent and experienced personnel with no administrative responsibilities



~~TOP SECRET~~

and whose duties are confined solely to intelligence evaluation, the product of which appears in the form of national estimates. Specific recommendations with regard to deficiencies in the relations of the Central Intelligence Agency with the services will be found in those sections devoted to CIA and the Department of Defense.

4. "That the Research and Development Board and the CIA, as a joint undertaking, establish immediately within one or the other agency an efficient and capable unit to collect, collate, and evaluate scientific and medical intelligence, in order that our present glaring deficiencies in this field be promptly eliminated." The research and Development Board has been dissolved and its functions transferred to the Secretary of Defense. Progress made by the Central Intelligence Agency in the field of scientific and medical intelligence is fully discussed in the section of this report devoted to that agency.

The machinery for accomplishing our intelligence objectives, hereinafter called the intelligence community when referred to as a whole, includes the Central Intelligence Agency, the National Security Council, the National Security Agency, the Federal Bureau of Investigation, and the intelligence sections of the Department of State, of the Army, the Navy, and the Air Force, and of the Atomic Energy Commission. Some of these agencies approach or exceed the operations of the CIA in functions and in expenditures. However, since CIA is charged with the overall responsibility for coordinating the output of all intelligence forces, the task force gave special attention to the work of that Agency.

~~TOP SECRET~~

14-00000



Our investigations showed that the sensitive and vital work of the intelligence community is being led by a group which is sincere, and dedicated to the service of the nation. We discovered no valid ground for the suspicion that the CIA or any other element of the intelligence family was being effectively contaminated by any organized subversive or Communistic clique. Charges were made by some individuals alleging a few members of the intelligence community to be poor security risks. All such cases, except those obviously without merit, were investigated by proper authority, or investigations are in the process of being made.

On the basis of its comprehensive studies, the task force feels that the American people can and should give their full confidence and support to the intelligence program, and contribute in every possible way to the vital work in which these agencies are engaged. We found the Director of Central Intelligence to be industrious, objective, selfless, enthusiastic, and imaginative. We are convinced, however, that in his enthusiasm he has taken upon himself too many burdensome duties and responsibilities on the operational side of CIA's activities. The task force feels that certain administrative flaws have developed in the CIA, which must be corrected to give proper emphasis and direction to its basic responsibilities.

The major aim would be greater concentration on the collection of intelligence information from our primary target -- Russia and her satellites, and Communist China.



~~TOP SECRET~~

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1

The task force is deeply concerned over the lack of adequate intelligence data from behind the Iron Curtain. The information we need on the political plans, scientific progress, and military potential of the Communists is there to be had, and we must exert every conceivable and practicable effort to get it. Proper directional emphasis, aggressive leadership, boldness and persistence are essential to achieve the desired results.

The glamor and excitement of some angles of our intelligence effort must not be permitted to overshadow other vital phases of the work or to cause neglect of primary functions. A majority of the task force is convinced that an internal reorganization of the CIA is necessary to give assurance that each of these functions receives adequate attention without diversionary interest.

The task force further is concerned over the absence of satisfactory machinery for surveillance of the stewardship of the Central Intelligence Agency. It is making recommendations which it believes will provide the proper type of "watch-dog" commission as a means of reestablishing that relationship between the CIA and the Congress so essential to and characteristic of our democratic form of government, but which was abrogated by the enactment of Public Law 110 and other statutes relating to the Agency. It would include representatives of both Houses of Congress and of the Chief Executive. Its duties would embrace a review of the operations and effectiveness not only of the CIA, but also of all other intelligence agencies.

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1



~~TOP SECRET~~

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1

One of the aims in the creation of a compact commission of this type would be to keep the public assured of the essential and trustworthy accomplishments of our intelligence forces, and to enlist public support and participation in the intelligence effort.

Action of this sort is needed to promote a general awareness and appreciation among the people of the significance and objectives of the intelligence program. There is a corollary demand for clarification of misunderstandings which have arisen in the public mind, largely as a result of the misapplication of secrecy. However, it must be recognized that intelligence operations require a large element of secrecy as an essential to success.

The task force further is greatly concerned about the inadequate guidance being given to NSA by the United States Communication Intelligence Board, and about certain aspects of communications. Recommendations to improve the current status are made in Appendix I, Parts 1 and 2.

The intelligence community should draw more widely on the available pool of retired citizens with wide previous business experience in the foreign field, and among retired military personnel who have specialized over a long period in the intelligence field. It should develop a more attractive program of career incentives for its officials, and of benefits for its overseas employees.

Recommendations to achieve these desirable results are being offered by the task force.

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1



**TOP SECRET**

(Page 18)

.....Nevertheless, these same concepts and theories have had strong advocates almost continuously since that time, and the DCI has been, and is being, periodically subjected to efforts to reduce him and the CIA to a status subordinate to that of a national intelligence committee collectively. Therefore, the history of the CIA has been largely one of distrust and discord among the several intelligence agencies. On the one hand, the three military intelligence agencies in the past have believed that the CIA was invading their areas of responsibility and was, in fact, largely a competitor of theirs in the intelligence field; on the other hand, the CIA has believed that at times the other intelligence agencies have not been as cooperative as they should have been in the production of national intelligence. This distrust has resulted in certain working personnel of almost all intelligence agencies taking advantage of every opportunity to air the shortcomings of other agencies, to the detriment of the intelligence community as a whole. The task force is of the opinion that the IAC should take cognizance of the great harm which this internal discord, distrust, and petty jealousy is doing to the accomplishment of the IAC's very important intelligence mission; that the intelligence chief of each agency should see to it that these harmful acts and tactics are discontinued within his own agency; and that any and all unresolved differences between the members of his agency and those of other agencies are brought before the IAC for final solution.

**TOP SECRET**



SECRET

(Page 24)

A careful examination of these formalized directives indicates that in some, if not most, instances they are not clear and concise and do not convey in precise and unmistakable terms the instructions necessary to carry out the purposes intended by the directives. Also, there are some fields of possible conflict, [REDACTED] portions of the fields of scientific intelligence, and in the clandestine collection of information, which have not been resolved to the mutual satisfaction of all concerned. Members of the IAC are aware of these areas of conflict, and it is believed that they are continuously endeavoring to eliminate them by consultations and give-and-take mutual agreements. Nevertheless, the task force is of the opinion that all existing intelligence directives of the NSC, IAC, and the DCI should be reviewed by the IAC and others concerned, with a view to establishing clearer areas of responsibility and to allocating intelligence tasks in each such area which will be in accord with the capability, interest, and paramount national responsibilities of each department or agency.

25X1

SECRET



**TOP SECRET**

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1

(Page 31)

The Director of Central Intelligence (DCI) personally sits as chairman of the USCIB and of the IAC, and as a member of the OCB. The major portion of his time, as well as ~~that~~ of other officials of his office, is devoted to cold-war and other related special operations and functions of the DD/P area. The DCI exercises direct general control and supervision over the operations of the CIA by thrice weekly scheduled meetings with the three deputy directors of operations, and by monthly scheduled meetings with the assistant director heads of the various operating offices. Special matters are also directly controlled by him through the three operating deputy directors, or occasionally with the assistant director or directors concerned. Aside from this infrequent and distant control over the day-to-day activities of the elements of the CIA, the DCI has decentralized the administrative and operational control over his agency, particularly of the DD/I and DD/S areas, to the deputy directors of the three areas of responsibility; and they in turn have further decentralized a large part of their control authority to the assistant director heads of the various operating offices. It is the view of the task force that this type of control is not conducive to efficient administration and tends to create a group of small semiautonomous elements, the head of each of which in large measure exercises a self-determination as to what, when, and how he will conduct his assigned duties and functions; tends to foster self-interest; and militates against that quality of agency-wide cohesiveness of effort which is so essential in the efficient management of any activity. To alleviate this unsatisfactory condition brought about largely because of the constant demands on the time of the DCI in the execution of the Agency's cold-war functions, there is a vital need for the establishment of a single coordinating authority, such as an executive director or executive of the Agency as envisaged by the basic enabling

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1



legislation, between the DCI and the heads of the various operating elements of the Agency, to relieve the director of the responsibility for the consideration of the many administrative, logistical, and operational details and problems which should be resolved by a central high-level authority. However, because of the frequent unavailability of such an authority under current conditions, many of these details and problems have not been presented to higher authority for consideration, but have been settled, if settled at all, by the originating office or by mutual direct arrangements between interested officers.







~~TOP SECRET~~

(Page 34)

Responsibilities and Functions of DD/P Area

.....The task force believes that the senior operating deputy director charged with the responsibility of conducting the Agency's "cold-war" functions should be designated as the representative of the Director of Central Intelligence on the Operations Coordinating Board (OCB), in order that the DCI can thereby devote a greater share of his time to the performance of the Agency's intelligence-type functions; and that the status of each of the three major operating deputy directors of the Agency be increased from that of a civil service position (Grade GS-18) to that of a Public Law Presidential appointee at a salary of \$16,000 per year. Regardless of the merits of the foregoing recommendations, and in spite of the fact that the national intelligence produced in the last two years is unquestionably far superior in quality to that produced theretofore, the facts developed during this survey support the conclusion that the DCI, as currently supported by the IAC and the intelligence agencies which they represent, is not producing an adequate quality of coordinated national intelligence; and that this failure is due largely to a lack of raw intelligence information, particularly on the Soviet-bloc countries.



~~TOP SECRET~~

(Pages 36-37)

Responsibilities and Functions of DD/I Area

.....It is suggested that the above-mentioned offices be re-titled as indicated below, to depict more precisely the functions being performed; and that the Basic Intelligence Division of ORR be withdrawn therefrom and raised to office status because of the very great importance of its functions:

- Office of Reference and Liaison (ORL)
- Office of Collections (OC)
- Office of Scientific Research (OSR)
- Office of Economic and Geographic Research (OER)
- Office of Basic Intelligence (OBI)
- Office of Current Intelligence (OCI)
- Office of National Estimates (ONE)

.....The present organization of the OCD appears to be effective for the accomplishment of both types of functions, but it is suggested that its title be changed to Office of Reference and Liaison, which would be more descriptive of the functions now being performed by that office.

.....it is the view of the task force that certain types of this CIA central reference service should be recognized and accepted by the intelligence community as a whole, and made official by the publication of an appropriate NSC intelligence directive. Also, it is suggested that, because of budgetary limitations<sup>25X1</sup>



~~TOP SECRET~~

103700



25X1

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1



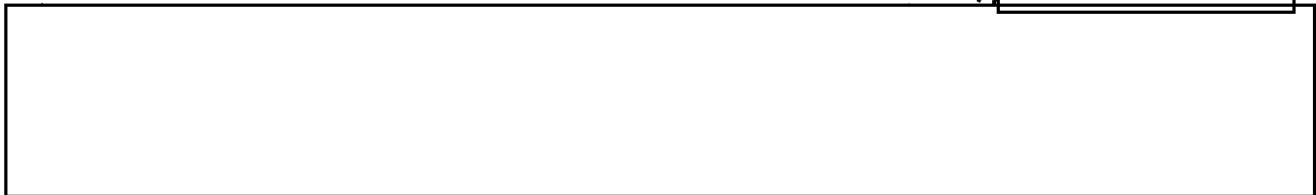
(Pages 40-42)

Office of Scientific Intelligence

.....The principal difficulties appear to be a lack of appreciation in both the CIA and in the military intelligence agencies of the distinction between scientific intelligence concerned primarily with the future development potential of foreign nations, and technical intelligence concerned with present weapons of foreign nations. These differences resulted, in August 1952, in the replacement of the Scientific Intelligence Committee of the IAC with the Scientific Estimates Committee, which concerns itself with the integration of scientific opinion and only incidentally with the coordination of other scientific intelligence activities; with the result that there is still inadequate coordination of this activity, except as it affects atomic energy.

.....the OSI needs further outside assistance by the accomplishment of the following suggested actions:

- a. Change the title of OSI to "Office of Scientific Research."
- b. Revise the pertinent NSCID to relieve the Department of State, because of its lack of special interest, funds, personnel, or other means, of its responsibility for the foreign collection of scientific and technical information, and assign that responsibility to the CIA (OSI).



- c. Revise the pertinent DCID to abolish the present Scientific Estimates Committee (SEC) and to reestablish, in lieu thereof, a Scientific



Intelligence Committee (SIC), with a charter which will permit the establishment of as many separate working committees thereof as may be appropriate, to effect interagency coordination in the various fields of scientific intelligence, such as biological, chemical, etc.

d. Up to the present time the CIA has been one of the major participants in the intelligence effort on foreign atomic development. While considerable success has been achieved in this field, the task force believes that the division of responsibilities of the over-all atomic energy intelligence effort requires definition and reorientation, as recommended in the section of this report concerning the Atomic Energy Commission.



~~TOP SECRET~~

(Page 46)

Production of Basic Intelligence

.....The full development of the MIS program is a formidable task, and it is the view of the task force that the program would be materially stimulated and placed on a more efficient and economical basis if this activity were taken out of its third-level position in the OIR and raised to a separate office status under an Assistant Director, as was done in the case of the establishment of the Office of Current Intelligence.

~~TOP SECRET~~



**TOP SECRET**

(Page 49)

Production of National Estimates

.....All in all, the task force is of the opinion that the ONE and the IAC are doing a remarkably good job in producing national estimates under present conditions and with the material available. Unfortunately, there are large gaps in the intelligence information available; and, therefore, it must be concluded that the national estimates now being produced by the IAC are not entirely adequate for the purposes for which they are intended.

**TOP SECRET**



**SECRET**

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1

(Page 50)

Responsibilities and Functions of DD/S Area

.....However, it is the view of the task force that the consolidation of these services into a single support area tends to tie together more closely than is desirable the operations of the DD/I and DD/P Areas with the inevitable continued neglect of the statutory intelligence duties of the Agency. The task force, therefore, is of the opinion that the administrative and logistic services of the Agency should be reorganized to make the area of responsibility of each operating deputy director administratively and logistically self-supporting. Moreover, a comprehensive and thorough management survey of the Agency following the suggested reorganization is requisite to a full awareness of the DCI of the status of his Agency administration; and the report of such a survey must be brought to the personal attention of the DCI or to a true Executive Director of the Agency, in order to further improve Agency management.

**SECRET**

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1



**SECRET**

(Page 52)

Office of Logistics

.....Logistic support of the DD/P Area has been made more difficult than necessary because of the failure of the DD/P to advise the Logistics Office of its operational plans or to permit it to participate in the advance planning phases of each important operation. This, in turn, often results in piece-meal procurement and other sporadic efforts to render the required logistic support. Also, the tasks of the Logistics Office are made more difficult, expensive, and less efficient by the security policies of the Agency and by the multitude and temporary-type of buildings in which the CIA is housed in the Washington area.

**SECRET**

1003/06



**TOP SECRET**

(Page 53)

25X1A

.....The task force strongly recommends that efforts be continued to procure the appropriation of such funds as may be necessary for this purpose [redacted] as the savings indicated above in the amount of almost [redacted] would, if applied to this purpose, pay the entire initial costs of such a building in less than 20 years. In this connection, the task force is of the opinion that it is neither feasible nor desirable to move any part of the Agency to a location far removed from Washington, and that preferably the CIA should be housed at a single location. It is essential that the DCI be located close enough to be available immediately to the President and other members of the Security Council. Also, there are [redacted] CIA's senior staff officers who must be in close contact daily with personnel of other agencies, particularly of the Departments of State and Defense, and who must also be available immediately to the DCI, as well as to those components of the Agency under their supervision, and upon which they are dependent for staff advice and operational support. Hence, the necessity for such close and expeditious coordination within the CIA and within the entire intelligence community dictates that the entire agency (CIA) be housed preferably in one building and at a location as near to the seat of Government as the overall defense planning permits.

25X1A

25X1

**TOP SECRET**



(Page 56)

Office of Personnel

.....no appreciable progress has been made in the establishment of ladders of progress by means of which each career employee will be able to select his career field and plan a training and assignment program which will qualify him or her for ever increasing positions of responsibility in the Agency. It is too early to evaluate the program's effectiveness, although some of the more basic principles appear to be well conceived.

Notwithstanding certain personnel agreements and tentative steps that have been taken, no real war plans have been developed whereby the Agency will be able to determine requirements of, and to acquire and retain against military competition the necessary personnel to assure continuity of its own operations in time of war.



**TOP SECRET**

(Page 61)

Office of Personnel

.....The task force, therefore, urges the maximum utilization by the CIA of retired military personnel who possess the requisite competence; and recommends that Public Law 53, 82d Congress, be amended by changing the aforementioned words, "not more than fifteen," contained in that law, to read, "any," thus permitting the employment by the CIA under that law of an unlimited number of retired officers or warrant officers of the military services.

**TOP SECRET**



(Page 62)

Office of Security

.....However, there is a need for the establishment of a system which will assure automatic security rechecks at not to exceed each five-year period of time. There are also certain security practices in operation which should be evaluated both against the interference with operational effectiveness, and also against the basic American philosophies of individual dignity and freedom. Also, the program for security of information has been widely reported as a serious interference with the exchange of information and the maximum utilization of information of a highly sensitive (Eyes Only or Special Handling) type.

**TOP SECRET**



(Pages 65, 66)

Special Statutory Authority Granted CIA

.....The task force is of the opinion that the current provisions of the foregoing legislation are sound and necessary for the efficient performance by CIA of its duties, functions, and responsibilities, many of which are of a highly esoteric nature that could not possibly be accomplished if subjected to the open scrutiny of transactions that is normally required of other Government departments and agencies; and that in extension of the special rights, privileges, and authority granted therein, these laws should be further amended, as follows:

a. Amend the Central Intelligence Agency Act of 1949 to provide -

(1) Authority for the employment by the CIA of "any" (instead of only "fifteen," as is now authorized) retired officers or warrant officers of the armed services.

(2) Additional medical and hospitalization benefits and services to the dependents of CIA employees when stationed overseas.

(3) Statutory leave benefits, and accumulations thereof, to employees of the CIA as are now authorized to members of the Foreign Service.

b. Amend the Executive Pay Bill of 1949 to increase the pay of the Director of Central Intelligence to a current annual salary equal to that enjoyed by the Deputy Secretary of the Department of Defense (currently \$20,000); to increase the pay of the Deputy Director of Central Intelligence to a current annual salary equal to that enjoyed by under secretaries of executive departments (currently \$17,500); to provide for an Executive Director of Central Intelligence at an annual salary equal to that enjoyed by the present incumbent of the position of the Director of Central Intelligence (currently \$16,000); and to

SECRET



provide for not to exceed three operating deputy directors of the three major areas of responsibility of the Agency (now known as Deputy Directors of Grade GS-18 at an annual salary of \$14,800) at an annual salary for each equal to that now enjoyed by the present Director of Central Intelligence (currently \$16,000).



25X1

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1

Next 2 Page(s) In Document Exempt

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1



Conclusions

That the provisions of Section 102 of the National Security Act of 1947 as amended, are adequate for the purposes intended, and no changes therein are necessary concerning the position of the CIA as an agency operating under the direct control and guidance of the National Security Council for the purpose of coordinating the production of intelligence affecting the national security or concerning the concept of the DCI's individual responsibility for the giving of intelligence advice to the NSC. (pp. 13-20)

That the DCI, as currently supported by the IAC and the intelligence agencies which they represent, is not carrying out in a satisfactory manner his statutory intelligence-type functions, in that the DCI and the IAC are not producing an adequate quality of coordinated national intelligence, as evidenced by the post-mortem analysis of national estimates which reveal many gaps in vital intelligence knowledge; and that this failure is due primarily to the lack of raw intelligence information from sources within the Soviet bloc. (pp. 33-35, 49)

That all NSC, IAC, and DCI intelligence directives should be reviewed by the IAC and others concerned, with a view to establishing clearer areas of responsibility and to allocating intelligence tasks in each such area which will be in accord with each department or agency's capability, interest, and paramount national responsibilities. (pp. 24, 25)

The majority of the task force is of the opinion that the "covert intelligence" functions and the "cold-war" functions of the current DD/P area should be separated and each assigned to the exclusive jurisdictional control of a separate operating deputy director, the area of responsibility of each of whom should be made administratively and logistically self-supporting.



However, a minority of the task force members feel that all "covert intelligence" and "cold-war" operations should be under both the staff and operating control of a single operating deputy director, whose area of responsibility should be administratively and logistically self-supporting, although such operating deputy director should have two deputy directors operating at the staff level, dealing separately and exclusively with "covert intelligence" and with "cold-war" operations respectively. (pp. 34, 35, 50)

That the organization and allocation of internal functions of the remainder of the CIA should be revised to reflect an organization designed to carry out the following functions with regard to the coordination of the production of national intelligence (pp. 35, 36, 49, 50):

- a. The maintenance of a central reference and liaison service;



25X1

- b. The performance, as a matter of common concern, of certain economic, geographic, and scientific research functions;
- c. The production of current intelligence for CIA use;
- d. The coordination of the production, as a matter of common concern, of basic intelligence and national intelligence estimates; and
- e. The performance of certain headquarters services, such as personnel, administrative and logistic functions, relating to the support of the CIA as a whole.

That the Director of Central Intelligence should reestablish the Office of the Executive Director of the Agency, to relieve himself of the necessity



of having to devote a large part of his time to the solution of the many day-to-day administrative and operational problems of the Agency. (pp. 31, 32)

That the status of each of the three major operating deputy directors of the Agency should be increased from that of a civil-service appointee (now Grade GS-18) to that of a Public Law Presidential appointee at an annual salary of \$16,000. (pp. 34, 35, 66, 67)

That the operating deputy director charged with the responsibility of conducting the "cold-war" functions of the Agency should be designated as the representative of the Director of Central Intelligence on the Operations Coordinating Board, in order that the DCI may be able to devote a greater share of his time to the performance of the Agency's intelligence-type functions. (p. 34)

That the coordination of certain types of scientific intelligence, especially electronic, is not satisfactory; and that the Scientific Estimates Committee has been unsuccessful in resolving differences of opinion in certain scientific fields concerning the distinction between intelligence relating to scientific research and basic resources, and that relating to the present production and use of weapons by foreign nations. (p. 41)

That the conduct of scientific intelligence research is handicapped by the failure of the State Department to carry out adequately its allocated collection functions. (p. 42)

That the coordination of the production of the National Intelligence Surveys is one of the most important functions of the CIA, yet the element of the CIA responsible for the performance of that function is relegated to



a third-level position in the Office of Research and Reports, when its importance warrants separate office status. (pp. 44-46)

That the production of National Intelligence Estimates is accomplished by the coordinated efforts of all members of the IAC. However, such estimates are not entirely adequate because of the deficiencies in available pertinent information regarding military intelligence on the Soviet bloc; movements and dispositions of Soviet and satellite armed forces, including Communist China; production of standardized air target materials on vital targets; economic intelligence on the Soviet bloc; commodity categories as they affect trade controls; scientific and technical capabilities; basic intelligence (NIS) - only about 40 percent complete; reporting collections by State Department; procurement of foreign language documents; coordination of ELINT effort in the collection of information; and actual military capabilities or objectives of Russia in atomic warfare. (p. 49)

That the administrative and logistic functions of the CIA are more costly and less efficient because of the security limitations imposed and because of the lack of adequate, more compact housing facilities. (pp. 50, 52)

That the CIA has no appreciable personnel problems other than those imposed by security restrictions, and the normal administrative problems connected with this type of activity such as the recruitment of top-level professional and other highly skilled personnel. The Agency is staffed reasonably well for current needs; its monthly turnover is modest; and its administrative machinery is adequate to eliminate undesirable employees because of inefficiency. Its inherent administrative problems are alleviated to some extent by the fact that the average employee of the Agency holds a grade equal to or possibly one grade higher than employees in like positions



in other Government agencies, a fact which requires careful reconsideration as to its propriety in the over-all Federal personnel program. (pp. 54-57)

That there is need for the development of a comprehensive plan for the procurement and utilization of personnel on a continuing basis in competition with the inevitable demands of the military services in time of war. (pp. 56-60)

That the security program in existence in the CIA is adequate for the purposes intended. However, it needs reviewing for operational and administrative effectiveness, and in its relationship to fundamental American philosophies regarding the dignity and freedom of the individual; and there is a need for the establishment of a system which will assure automatic security rechecks at not to exceed each five-year period of time. (pp. 61, 62)

That the special rights, privileges, and authority granted to the CIA in the Central Intelligence Agency Act of 1949, as amended, and in certain other laws and regulations are sound and necessary for the efficient performance by the CIA of its duties, functions, and responsibilities. (p. 65)

That certain legislation or change in existing legislation is required, as specified in the recommendations below. (pp. 65-67)

#### Summary of Recommendations

The majority of the task force recommends that the "covert intelligence" functions and the "cold-war" functions of the current DD/P area of the CIA each be assigned to the exclusive jurisdictional control of a separate operating deputy director, the area of responsibility of each of whom shall be made administratively and logistically self-supporting. However, a minority of the members of the task force feel that both "covert intelligence" and "cold-war" operations should be under the staff and operating control of a single operating deputy director, whose area of responsibility shall be administratively and logistically self-supporting, although such operating



deputy director should have two deputy directors operating at the staff level, dealing separately and exclusively with "covert intelligence," and with "cold-war" operations respectively.

That the remainder of the CIA be reorganized with a Director, a Deputy Director, an Executive Director, a general secretariat, necessary staff sections and offices of administrative and logistic services, and an operating Deputy Director of Intelligence with seven operating offices thereunder, as follows:

- Office of Basic Intelligence
- Office of Reference and Liaison
- Office of Collection
- Office of Scientific Research
- Office of Economic and Geographic Research
- Office of Current Intelligence
- Office of National Estimates

That the Director of Central Intelligence reestablish the Office of the Executive Director of the Agency, to relieve himself of the necessity of having to devote a large part of his time to the solution of the many daily administrative and minor operational problems of the Agency.

That the status of the three major operating deputy directors be changed from that of a civil-service appointee (now Grade GS-18) to that of a Public Law Presidential appointee at an annual salary of \$16,000.

That the operating deputy director, charged with the responsibility of conducting the "cold-war" functions of the Agency, be designated as the representative of the Director of Central Intelligence on the Operations Coordinating Board, in order that the DCI may be able to devote a greater share of his time to the performance of the Agency's intelligence functions.

That a comprehensive internal management survey of the Agency be conducted by the CIA within a year following the reorganization of the Agency as recommended in this report.



That all NSC, IAC, and DCI intelligence directives be reviewed by the IAC and others concerned, with a view to establishing clearer areas of responsibility and to allocating intelligence tasks in each such area which will be in accord with each department or agency's capability, interest, and paramount national responsibilities.

25X1

That the Scientific Estimates Committee be abolished; and that in lieu thereof there be established under the IAC a Scientific Intelligence Committee with such working subcommittees as may be necessary to insure the full coordination of community-wide scientific intelligence effort.

That the CIA security program be studied and reevaluated against both operational and administrative effectiveness; and with a view to the establishment of a system which will assure automatic security rechecks at not to exceed each five-year period.

That the Congress be requested to appropriate as soon as practicable such funds as may be necessary to construct adequate CIA housing facilities in or near Washington, D. C.

That the Central Intelligence Agency Act of 1949 be amended to authorize the employment by the CIA of "any" (instead of only fifteen, as is now authorized) retired officers or warrant officers of the armed services; to authorize additional medical and hospital benefits and services to the dependents of CIA employees when stationed overseas, similar to those authorized to



dependents of members of the United States Foreign Service; and to authorize leave benefits, and accumulations thereof, to employees of the CIA to the same extent as now authorized to members of the Foreign Service.

That the Executive Pay Bill of 1949 be amended to increase the pay status of the Director and Deputy Director to the sums \$20,000 and \$17,000, respectively; and to authorize the appointment of an Executive Director of CIA at an annual salary of \$16,000.



SECRET

(Pages 219-220)

Conclusions

Primary responsibility for the production of atomic energy intelligence has been allocated to "all interested agencies." No one department or agency, therefore, has primary responsibility for the collection of information or production of such intelligence. (pp. 208, 216)

The responsibility of the Atomic Energy Commission for intelligence is not authoritatively defined and the possibility exists, therefore, that the Commission's responsibility for atomic energy intelligence is not clearly understood within the intelligence community. (p. 209)

The Division of Intelligence, AEC, has not been furnished any directive or document defining its responsibilities or functions. This deficiency has created the possibility that some activities desired by the Commission would not be performed or missions of higher priority would be neglected in favor of missions of lesser importance in the eyes of the Commission. (pp. 210-212)

The Joint Atomic Energy Intelligence Committee has not been given a formal, authoritative charter. It has suffered from this deficiency. This committee has, nevertheless, served as the only agency to effect coordination of the collection and production of atomic energy intelligence. (pp. 207-209, 218)

The individuals who have represented their respective departments and agencies on JAEIC have not always been of the stature appropriate to that important committee. There have been frequent changes in representation on the committee from one meeting to the next. (pp. 213-215)

The sections of the National Intelligence Estimates which contain atomic energy intelligence are produced by JAEIC. Because of lack of information,

SECRET



~~TOP SECRET~~

those estimates have not been satisfactory with respect to the actual military capabilities or objectives of Russia in atomic warfare. (pp. 217, 218)

Recommendations

That the Central Intelligence Agency, in the exercise of its responsibilities for coordination of the production of national intelligence, pay special attention to the production of atomic energy intelligence.

That the responsibility of the Atomic Energy Commission for intelligence be defined in a National Security Council intelligence directive.

That a National Security Council intelligence directive set forth the responsibility, authority, functions, and composition of the Joint Atomic Energy Intelligence Committee.

That the Atomic Energy Commission define the responsibilities and functions of its Division of Intelligence.

That each of the member agencies of the Joint Atomic Energy Intelligence Committee insure that it is represented on that committee by the best qualified individual available concerning the matter under discussion, and that changes in representation be made as infrequently as practicable.

That there be a thorough review of the processes for development of the atomic energy portions of National Intelligence Estimates to insure, in the first place, that everything practicable is done to develop intelligence regarding intentions, plans, programs, policies, doctrine, and capabilities of the Soviet Union with regard to wartime use of atomic energy, and secondly, that the national intelligence estimates reflect the full extent of available intelligence in those matters.

~~TOP SECRET~~



**TOP SECRET**

(Page 244)

Conclusions

There is a firm need for agreement on the terms used in the intelligence community so that the difficulties arising from different interpretations of those terms may be eliminated. (pp. 227, 228)

The collection of information is inadequate to meet the needs of the nation's security. Gaps exist which are critical to the development of plans, not only in the strictly military field, but also in the political and sociological fields, especially as they affect the assessment of the military stature of the potential enemy (pp. 233, 237)

Collection emphasis must be maintained on the target area of major importance - the Soviet Union. This is not only the primary target, but also the most difficult one facing collectors. Opportunities for collection of information concerning this area must be exploited to the fullest, and capabilities to build up such opportunities should be developed to the maximum (pp. 236-238, 240)

The Department of State is not adequately fulfilling its commitment to collect information on the basic sciences, nor is it fully carrying out the foreign documents procurement program. (p. 239)

Recommendations

That an agreed glossary of intelligence terms be produced and reviewed periodically.

That positive measures be taken to increase the quantity and improve the quality of information collected, with special emphasis on the primary target area, to include the revision of existing directives to assign more explicit responsibility to agencies which can fulfill the requirement.

**TOP SECRET**



(Page 250)

.....In spite of the efforts which have been made heretofore for the coordination of the production of scientific intelligence, this area of intelligence production still remains one in which there is much room for improvement. All members of the community apparently realize the shortcomings still existing in this field and are earnestly endeavoring to resolve their difficulties.



SECRET

(Page 254)

### Conclusions

The most imminent threat to our national security lies in the military capability, the economic potential, and the political intention of the Soviet Union to wage war against us or any other nation with whom we are bound by mutual assistance ties. Our present condition of ignorance regarding these particularly vital items stems from the ineffectiveness of our intelligence effort. If and when the security of the Soviet Union is broken sufficiently to collect accurate information on these subjects, our own courses of defense and political action can be established with firmness and assurance. In the interim, such measures as we do take must include a calculated risk, as they are based on uncertain and limited intelligence.

The growing urgency for scientific and technological intelligence extends also to the political, cultural, and sociological fields. (pp.247,248)

### Recommendations

That the intelligence community actively give recognition to this primary intelligence target, i.e., the Soviet Union, and take such actions as are necessary to present a concerted effort for the single purpose of breaking this vital intelligence block.

25X1



25X1

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1

Next 2 Page(s) In Document Exempt

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1



(Page 266)

.....They are mentioned here because the task force believes that many long-term analysts have transferred in recent years to civilian agencies, such as the State Department and the Central Intelligence Agency, because of the failure of military chiefs to appreciate the importance of making the civilian feel the value of his contribution.



(Pages 268 - 269)

Because of the special nature of the peacetime mission of the Central Intelligence Agency, a civilian career service is absolutely necessary. Security considerations and the far-flung nature of the Agency's peacetime operations, the necessity that its personnel be available immediately for service anywhere at any time, would make the procurement and retention of personnel impossible unless the advantages inherent in a career service were available. The Agency has made great progress in implementing a career service outside of civil service, and shall have completed the job in about ten months, according to present estimates. The plan as conceived and set up by Agency personnel in close collaboration with the Civil Service Commission follows civil-service procedures and policies very closely, with the exception of considerations relating to discharge. By law, the director has the authority to summarily discharge personnel at any time for reasons of national security, without prejudice to the individual insofar as seeking positions elsewhere in the Government is concerned. The plan is well conceived and is being efficiently executed.

The task force was advised of the details of legislation which the Agency is requesting. This legislation would authorize its civilians serving overseas home-to-work leave, dependent medical care, and would provide allowances for the education of their children. It is understood that these proposals are under consideration in the Bureau of the Budget to determine their applicability to personnel in other Government agencies. The task force wishes to associate itself with the proposals of CIA in this regard providing the same privileges are accorded to civilian employees of other intelligence agencies and departments serving overseas.



(Page 283)

Conclusions

The continued employment in an intelligence organization of an individual about whom sufficient doubt concerning his security has been raised during the conduct of an investigation - although the investigation is still in process - represents an unjustifiable risk to the national security, even though such individual is placed in a nonsensitive position.

The danger of breaking intelligence security always exists in spite of the aggressive and extensive preventive measures instituted. The departments and agencies of the intelligence community give evidence of recognizing this danger. It is considered that the standards established are reasonable in extent and effective in application except as they relate to the periodic rechecking of personnel employed in dealing with sensitive material. (pp. 280, 281)

Recommendations

That any individual employed in an intelligence organization about whom sufficient doubt concerning his security has been raised during the conduct of an investigation - although the investigation is still in process - should be removed from employment pending final determination of his case. Findings and proposed disposition of those cases which were reported as still in process at the time the survey by this task force was concluded should be reported to the President.

That measures be instituted in all agencies to recheck the security status of all personnel engaged in intelligence activities at periodic intervals not to exceed five years in any individual case.



(Page 292)

Conclusions

Effective cooperation among the departments and agencies concerned with domestic counterintelligence is provided through the operations of the Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security, supplemented by liaison channels which merit commendation. (pp. 284, 285)

The specific responsibility of each domestic counterintelligence agency, established in part by statutory authority, is made more definite by a "Delimitations Agreement" among the pertinent agencies, which prevents overlapping and duplication of functions in this field. (p. 286)

The Department of the Navy has urgent need for additional competent, trained personnel for investigative and analytical duties in the field of counterintelligence. (pp. 288, 289)

Overseas counterintelligence operations are conducted by the military services and CIA without the coordinating help or influence of committees as in the domestic situation. (p. 290)

Recommendation

That the Department of the Navy give due consideration to the requirement for additional competent and trained counterintelligence personnel in order to provide adequate security of its personnel and facilities.



(Page 304)

One way to achieve, in effect, the unquestionable desirability of a unified library effort would be to establish a single-standard cataloging system for all libraries. At the present time, each library in the intelligence community has its own cataloging system. This requires elaborate and complex cross-filing procedures within each cataloging system, in order to provide positive identification. The CIA library has developed and put into use its own Intelligence Subject Code, which the Air Force has adopted, and which is applied by the CIA to all intelligence reports from other agencies flowing through the CIA destined for use by the Air Force. The Army would readily change its system to any one accepted for universal use. The navy has considered the use of the CIA subject code, but has rejected it because of the enormous task involved in reindexing. It is believed that the CIA system is the proper one to install, since that agency currently has the largest accumulation of active material. This is an objective which should be seriously considered by the Intelligence Advisory Committee, with a view to the adoption of a single index system.



TOP SECRET

(Page 305)

Conclusion

A central library for the intelligence community is impracticable. However, the establishment of a single cataloging system, based on the intelligence code presently used by the CIA, would do away with the elaborate and complex cross-filing procedures now in effect. (pp. 303,304)

Recommendation

That the Intelligence Advisory Committee consider the adoption of a single index system based on the Intelligence Subject Code now in use by the CIA.

TOP SECRET

1000000



(Page 306)

### XIII COORDINATION IN OVERSEAS AREAS

NBCID No. 1 assigns to the Director of Central Intelligence general responsibility for coordination of U.S. intelligence activities; NBCID No. 2 assigns to each senior U.S. representative in a foreign area the responsibility for coordinating intelligence activities within his area. A review of field practices must lead one to the inescapable conclusion that, despite these assignments of responsibility, the bringing together of all intelligence activities into one common effort has met with varied degrees of success, and, overall, leaves something to be desired. The deficiencies are traceable to problems of organization of the effort and exchange of information between agencies in the field.

SECRET



(Page 308)

The compartmentation which characterizes the intelligence community is not conducive to the exchange of information which can make more effective the efforts in the field. Actually, the two are mutually exclusive. The strong emphasis on security which gives rise to much of this compartmentation also has an unfavorable impact on the exchange of information so vital to the effective operation of the intelligence function. CIA, generally, has been the least cooperative agency in these exchange matters and has aroused thereby the greatest dissatisfaction. It is appropriate to note that the CIA representatives generally keep the senior U.S. diplomatic and military representatives apprised of their activities to the extent they are permitted to do so. However, because of restrictions imposed on the use of this information by the recipient, its use is limited. In some areas, a few military men were found who were of the opinion that CIA possessed assets and capabilities which, in fact, they did not have. Not infrequently the practice of withholding information by CIA is overcome by information passing unofficially to others in the community on the basis of personal relationships. This is obviously building an intelligence edifice on shifting sands. Even with this, however, there is generally a lack of sufficient knowledge in the community of the assets and capabilities of the CIA; and this obviously interferes with an optimum planning effort.

SECRET

100200



(Page 309)

Perhaps the most serious impact of this tendency to restrict exchange of information is felt in the field of clandestine operations where failure to exchange information may result in not only extremely costly direct losses in manpower and dollars for agent operation, but perhaps even more importantly in failure to attain the effective intelligence effort necessary at this time.

#### Conclusions

The impact of security control measures makes the exchange and dissemination of information at the field level very difficult. (pp. 307, 308).

The intelligence community is highly compartmentalized. Differing interests of members of the community, as well as security considerations, dictate some compartmentation, but it must be recognized that such compartmentation tends to reduce the intelligence production of the community. (p. 308).

The strong emphasis on security, which gives rise to a high degree of compartmentation, has an unfavorable impact on the exchange of information so vital to the effective operation of the intelligence function. The limitations imposed by CIA on its field representatives have aroused the greatest dissatisfaction. (p. 308).

The limitations imposed on military commanders in the field by the rigid application of the principle of "need to know" and the use of the rubber stamp "Eyes Only" seriously impair his timely use of vital information when received. (pp. 308, 309).

#### Recommendation

That senior military commanders in the field be given greater flexibility in their use of information on a need-to-know basis, giving due regard to the protection of its source.



(page 311)

Conclusion

The present inadequacy of the intelligence now being produced clearly indicates that additional measures and methods should be sought with vigor. While some efforts are being made to find new means to improve our intelligence position, the research and development projects involved are too few and too dispersed. There is a definite need for a more concerted and coordinated effort and a freer exchange of information concerning the development of new techniques, collection equipment and methods within the intelligence community. (pp. 310, 311).

Recommendation

That the IAC take positive action to insure that a definite and concerted effort is made to develop new techniques, methods, and equipment for the collection and production of intelligence and insure that a free exchange of information concerning such projects is accomplished within the intelligence community.



(Pages 312-317)

XV "WATCH-DOG" COMMISSION

Discussion

The task force fully realizes that the Central Intelligence Agency, as a major fountain of intelligence for the nation, must of necessity operate in an atmosphere of secrecy and with an unusual amount of freedom and independence. Obviously, it cannot achieve its full purpose if subjected to open scrutiny and the extensive checks and balances which apply to the average Governmental agency.

Because of its peculiar position, the CIA has been freed by the Congress from outside surveillance of its operations and its fiscal accounts. There is always a danger that such freedom from restraints could inspire laxity and abuses which might prove costly to the American people.

Although the task force has discovered no indication of abuse of powers by the CIA or other intelligence agencies, it nevertheless is firmly convinced, as a matter of future insurance, that some reliable, systematic review of all the agencies and their operations should be provided by Congressional action as a checkrein to assure both the Congress and the people that this hub of the intelligence effort is functioning in an efficient, effective, and reasonably economical manner.

Within the Armed Services Committees, there is a liaison channel between the Congress and CIA which serves a worthy purpose, but which cannot include private citizens in its membership and has not attempted to encompass the wide scope of service and continuity which this task force considers essential for "watch-dog" purposes.



~~TOP SECRET~~

The task force recognizes that secrecy is necessary for proper operation of our foreign intelligence activities but is concerned over the possibility of the growth of license and abuses of power where disclosure of costs, organization, personnel, and functions are precluded by law.

On the other hand, sporadic investigations in this field might inadvertently result in unauthorized disclosure of classified information to the detriment of the intelligence effort. Periodic audits or studies by some qualified, impartial agency would remove both of these dangers and would also allay suspicions and distrust which have developed in the public mind by the complete secrecy of these operations. Such a procedure also might serve to shield our intelligence program from unjustifiable attacks upon the agencies concerned, and enhance public confidence and support of this vital work.

The Central Intelligence Agency Act of 1949 legalized the administrative procedures for the Agency. The Act was passed by the Congress on the unanimous recommendation of the Armed Services Committees, without full explanation to the Congress but with the assurance that the members of the Armed Services Committees had detailed information concerning it.

The Act, however, exempts the Agency from compliance with any provision of law limiting transfers of appropriations; any requirements for publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the Agency; and any regulations relating to the expenditure of Government funds.

The widespread conviction among Members of the Congress that this situation should be corrected is indicated by the fact that more than a score of resolutions have been introduced in the current session calling for a review or watch over our intelligence activities, usually by a large joint committee of the two Houses.

~~TOP SECRET~~

103706



The task force, however, envisions as the proper agency for this watch-dog job a small, permanent commission modeled after the Commission on Organization of the Executive Branch of the Government - a bipartisan group including members of both Houses of Congress and distinguished private citizens appointed by the President.

Members chosen from private life to serve on this proposed watch-dog commission should come from a select group of loyal, qualified, and public-spirited citizens who command the respect and confidence of the American people.

Comprehensive periodic studies of the foreign intelligence activities of the United States would be made by the commission, with special attention to the questions of whether the assigned work of these intelligence agencies is being carried on efficiently and effectively; whether there is an unnecessary overlapping or duplication of effort between civilian and military intelligence agencies; whether the staffs are of a size justified by their assigned functions and producing the intelligence required for the security of the nation; whether expenditures are within budget authorizations and in keeping with the expressed intent of the Congress; whether fiscal policies and procedures are in conformity with sound accounting principles and practices to the maximum extent possible; whether any of their activities or policies are in conflict with the foreign policy aims and program of the United States; and whether the effort of any of these intelligence agencies is being dissipated or adversely affected by assignment of added functions alien to intelligence.

The commission would require a small permanent staff, with the usual provisions for employing attorneys, experts, consultants, and auditors, for expenses and for compensation of members and employees. It would be empowered to hold hearings and to subpoena witnesses, under adequate safeguards to prevent



the public disclosure of classified defense information which it might receive; but would have the authority to demand and receive from any source any information it might need for its own use.

The over-all aim would be the promotion of aggressive leadership which would unify the intelligence effort, make it more productive, and inspire a higher spirit of teamwork through elimination of petty competitive jealousies.

The proposed commission should hold itself available to receive and to study all complaints against any of our intelligence agencies; to maintain a familiarity with the activities of these agencies as a safeguard against the abuse of their proper functions; to consider requests of the agencies for legislation, and where advisable to support the needs of the intelligence community before the Congress, and advise the Congress on the effects of proposed legislation on our intelligence effort. An integral part of its duties would be reports of its findings and its recommendations to the President and to the Congress annually and at such other times as its opinions might be appropriate or necessary.

One of the fundamental purposes of these reports would be to keep the public informed, within the bounds of security, of the value and the vital accomplishments of the intelligence community, and provide an answer to unfounded complaints and criticisms which have tended to arouse fears and distrust of the intelligence effort in the minds of the people. Public support thus engendered certainly would improve the effectiveness of the intelligence operations, and foster public participation in the collection of overt intelligence data. The people who support these operations are entitled to assurance that the investment is paying dividends. With such assurance, they would develop an enthusiasm and alertness which could bring in valuable information at times to supplement the work of the regular intelligence forces.



### Conclusions

Responsible and impartial periodic studies of the organization, functions, and policies of the intelligence agencies of the United States are needed to insure that the funds appropriated by the Congress for this work are expended in a judicious manner; that such activities will never be a threat to the United States, and that the latent powers of these agencies will be controlled so that they never run counter to United States foreign policy. (Pages 312 to 316)

The best means to attain these aims would be the creation of a compact, permanent bipartisan commission of distinguished membership. (Pages 312 to 316)

### Recommendation

That a small, permanent, bipartisan commission, composed of members of both Houses of the Congress and other public-spirited citizens commanding the utmost national respect and confidence, be established by Act of Congress to make periodic surveys of the organization, functions, policies, and results of the Government agencies handling foreign intelligence operations; and to report, under adequate security safeguards, its findings and recommendations to the Congress, and to the President, annually and at such other times as may be necessary or advisable. The proposed "watch-dog" commission should be empowered by law to demand and receive any information it needs for its own use. It would be patterned after the Commission of Organization of the Executive Branch of the Government (Hoover Commission). Appointments by the President of persons from private life to the proposed commission should be made from a select list of distinguished individuals of unquestioned loyalty, integrity, and ability, with records of unselfish service to the nation.



CENTRAL INTELLIGENCE AGENCY  
**EYES ONLY**  
OFFICIAL ROUTING SLIP

TO	INITIALS	DATE
1 Deputy Director (Support)	<input type="checkbox"/>	
2		
3		
4		
5		
FROM		DATE
1 Inspector General	<input type="checkbox"/>	27 June 195
2		
3		

<input type="checkbox"/> APPROVAL	<input type="checkbox"/> INFORMATION	<input type="checkbox"/> SIGNATURE
<input type="checkbox"/> ACTION	<input type="checkbox"/> DIRECT REPLY	<input type="checkbox"/> RETURN
<input type="checkbox"/> COMMENT	<input type="checkbox"/> PREPARATION OF REPLY	<input type="checkbox"/> DISPATCH
<input type="checkbox"/> CONCURRENCE	<input type="checkbox"/> RECOMMENDATION	<input type="checkbox"/> FILE

Remarks: Would you please hold this on a very close basis until after the briefings and the Director indicates the action he wishes taken.

☐ LEXIKPICK



Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1

25X1

Approved For Release 2004/01/20 : CIA-RDP86B00269R000100060003-1